

InTouch

Keeping our connections alive



Ken Igbokwe

Regional Senior Partner, PwC West Africa
Country Senior Partner, PwC Nigeria

Foreword

Greetings and welcome to this 2nd edition of our alumni newsletter "In Touch". This time last year we were celebrating the integration of PwC firms in Africa. As we mark our first year as an integrated PwC Africa, I am confident that our firm is positioned to take advantage of the opportunities that the integration has brought.

As many of you may have heard, I will be retiring as Regional Senior Partner, West Africa and Country Senior Partner for Nigeria on 30 June 2014 and that Uyi Akpata will be taking over these two positions effective 01 July 2014. I trust that you will

continue to give him your support.

The PwC alumni programme is envisaged as a forum for our people outside the firm to keep in touch with ex-colleagues and the firm. It is an industry network as much as a social one and I hope that you have found it useful to keep up the associations you have made over the years.

As I look forward to joining the alumni community, I wish you all a happy and prosperous new year.

PwC News

New admissions

This year, three people joined the partnership - Darrell McGraw, Edafe Erhie and Sam Abu.



Darrell McGraw
Partner,
Assurance



Edafe Erhie
Partner,
Assurance



Sam Abu
Partner,
Assurance



Ken Aitken
Former Partner,
Tax

Retired

Ken Aitken retired after several years with PwC.

PwC Nigeria helps organisations and individuals create the value they're looking for. We're a member of the PwC network of firms in 157 countries with more than 184,000 people. We're committed to delivering quality in assurance, tax and advisory services. Tell us what matters to you and find out more by visiting us at www.pwc.com/ng

PwC, creating the value you're looking for.



InTouch with

Lucy Newman, CEO of FITC



Dr. Lucy Suryhel Newman

CEO, Financial Institutions
Training Center (FITC)

How did you get into HR and Performance improvement?

I became performance-improvement driven from my experience with the French language as a subject in secondary school, but without realizing it.

The first time I failed a subject in school was when I was studying French. My French teacher found out that her subject was the only one I had failed. She called me and explained to me that French was all about tenses and vowels. At the end of the term, I was the best student in French and the most improved student that year, so I won two prizes at the speech and prize giving, the next school year. That incident taught me that you need the right information and the mind needs to be conditioned. I believe that God looks at people from their potential. The performance improvement field aligns with my values in that regard.

An experience in 2002/2003 made me realize this pattern that finally nudged me into HR and Performance Improvement at the old FSB, as part of implementation of a staff assessment and job evaluation project, which saw to my redeployment to HR Development, from Treasury. The bank wanted to put 'square pegs in square holes' and though I had been in finance, product development and relationship management in the Treasury, the findings indicated that I would likely have the best performance if I were in a role for which I had the best fit. It recommended corporate affairs, human resource management and human resources development especially. So, I became Head of HR Development [HRD] at FSB International Bank Plc [FSB], in 2003. The industry was very competitive then and since I was assigned to HR from the business side of banking, I wanted to demonstrate my department's contributions to the bank in a more scientific manner. So during that time, while conducting an internet search for a professional association that had a clearly articulated methodology for showing contribution to the bottom line and link of employee learning intervention programmes to employee performance, I found ISPI and the 10 Standards of Performance Improvement, which later became

my mantra! In 2004, I signed up as an international member of ISPI. Since then, my career, doctoral program, various publications, certifications, role at PwC's Advisory Performance Improvement Practice, have been in the field of performance improvement.

How did you get into PwC and why?

I had been in banking for a number of years. I had started my doctorate degree and was learning new concepts. I was close to making the decision to leave the banking sector when the consolidation in the banking sector took place. I then decided to stay and learn as you could not get that experience from any business school. I had been on the integration team working on culture change after the merger of Fidelity Bank, Manny Bank and FSB. As a result of my work there, I was called to help with the culture integration at UBA, via the UBA HR. During this time, my work life was suffering, I was virtually working every day of the week and I was missing out on my children's school activities. I thought there must be more to life than this. I was planning to resign and then think of what to do. It was during this time that I met a PwC alumnus who thought that with my background in academia and practice, I should apply to work with PwC.

As a young manager; I had a crisis at some point in my career because I was being accused of creating work for myself. I told an uncle about my dilemma of always writing memos about what wasn't working and being asked to move from department to department to provide solutions. I was more or less seen as having no ambition. He laughed and said that this was the consulting spirit. With that advise, I then bought a book "How to be a consultant in your field" which I still have on my bookshelf.

So, based on my former colleague's suggestion and what I remembered from my talk with my uncle, I sent my CV to PwC and 2 other firms. All the firms invited me for interviews but I chose PwC because while other firms were fixed about what they wanted me to do, when I told PwC that I had experience in various areas and would like the opportunity to do different

things, they said that was exactly what they were looking for - someone who has technical experience, but is flexible and trainable in other fields. PwC was a good harmony between the concepts I was studying in my doctorate program and what I was practicing. At PwC, I could be open about my personal aspirations with my coach and it was a healthy environment to display my knowledge. I also got challenging project experiences and various team roles as team leader and team member at different times.

Aspirations on leaving PwC

The doctorate program gave me new concepts which I wanted to test. I wanted to apply the creativity that was brimming in me and my flair for writing. I was not actively looking for work but I had performed very well in PwC's Career Development Center (CDC), which put me on the leadership track. One day, I got a text for a vacancy which wasn't properly described to me but the person who sent it said it was the perfect role for me. My husband asked his driver to go and buy old copies of the newspapers and I had to enlist the help of my children to find the advert. It turned out to be the CEO position at FITC. I still did not apply until one day after a sermon at church which talked about the fact that it was only when the children of Israel took the first step into the water that the sea parted. The role at FITC was an opportunity for me to practice all the things I'd learnt about performance improvement and also help my core industry.

What values did you learn at PwC and how have these impacted your work at FITC

Seeing things from different angles and simulating what could go wrong. This happens to be one of the 10 standards of performance of the ISPI. Every person on the team is important. We all have a role to play. I remember a video on competitive sailing as a team, which was shown to us during my induction as the advisory approach to project management. It was a 3 minute video which emphasised that everyone depends on the other to deliver a great performance!

Allowing people to trust each other is also very important and trust is essential in getting feedback. At PwC, there is an annual staff survey. Getting feedback is extremely important – a powerful tool which we deployed for the first time in FITC when I took over in 2009, and have maintained this annually ever since. This helped to direct our activities. At PwC we also had the 360 degree feedback through which you could assess your superiors. There were also coaching sessions to address performance gaps. All this affected the culture at FITC. Today, people now want to contribute and are able to express their creativity without fear.

Client relationships and going the extra mile were also important in PwC. I have always known this and I have found that the more we do that, the more our clients trust us. At PwC there was a healthy discussion of projects and engagement at all levels. We have been putting to practice that culture of openness to intellectually engage and disagree and we have service quality awards to show for it. Our clients also trust us to say the truth on issues, even though not palatable, but if acted upon, results ultimately show. So, over time, they trust us more!

You have been reappointed for a second term to 2019. What is your vision for FITC?

At the beginning of my tenure, at a tea break during a board meeting where I was presenting my plan for FITC, a board member walked up to me and privately said I

had a good plan but no one to work with. I saw that as a challenge. So we had to start internally on a culture change program. Our Great Place to Work award in 2012 was widely celebrated internally, because we knew what we had to go through to reach that status, and it felt good seeing everything work out. Now, we need to not only maintain this culture, but nudge it higher for global competitiveness.

I am optimistic about the next 5 years. We have a fantastic board which is focused. I have former board members as part of my inner circle who I am able to call on for advice and feedback as needed. We have started work on our Campus at Lekki. It will be a complete village and the plan is to make it a resource for financial services in the West Africa region. So we will be looking at building capacity and supporting both operators and regulators in other jurisdictions. We are already seeing a lot of participation on our programmes, from other countries. The Nigerian financial sector is like the benchmark for other countries in the region. Thus our plan is to become a support for West Africa where many Nigerian banks are already operating.

We also want to build more referrals. We believe that satisfied clients are the best form of marketing. Today, almost 50% of our work is from referrals. So improving service quality is a key driver for us. At FITC, corporate governance consultancy and training, is one of our platforms. We went through a change program of improving the quality of our services. We are therefore a good partner for consulting services, because we have lived our own journey and therefore understand the issues of implementation.

How do you perform the balancing act of managing family and career?

The fact is one cannot be everything to all people all the time. So first of all, make the children self-reliant and dependent as early as possible. Allow them their own individuality. Share your problems with the family, let them know how they can help you and do not leave the children to the nanny. I try to make time with my husband and to attend school functions. Empower your staff. This way, your inner caucus can chip in to support. If the vision is shared and all agree with the aspired outcomes and know the benefits will accrue to all participants, at down time, there will be quality play time.

Memorable moment

My election as International Director for ISPI. ISPI is present in 48 countries and the role was coordinating the growth of ISPI in countries outside North America. Late 2011, the former president called me to ask if I was interested in running for the role. After consultation and consent from my family and the FITC board, I agreed to run but I was warned that the process was a rigorous one involving 5 stages and many people have had to run several times before they were elected. At the end of the single run process, I was elected to the surprise of many, being my first time as a candidate. It was remarkable because no one outside North America and Europe had ever been elected as an International Director, in the 49 years of ISPI. My term started at the 50th anniversary conference in Toronto, Canada. The whole process taught me that sometimes we disqualify ourselves without even trying, especially coming from Africa with our colonial mentality. It has taught me that the whole universe is there for us if we just try. All that people want is performance. I have been on the board for 2 years. During the first year, I served on the growth

committee and the emerging Professionals Committee. Now in my second and final year, I have been placed on 3 very sensitive committees which are at the core of the ISPI. This demonstrates trust. I have met so many people; some of whom I have read their books. To be on the same board with them has been humbling and sometimes almost frightening. However, God has been faithful and now my term as International director ends at the next conference April 2014, in Indianapolis, USA

Who are your role models? If you were to invite 2 of such people to dinner, who would they be and why?

Nelson Mandela because he had the courage to confront the norm, question assumptions and still be humble, he has sown seeds which will be there even after he is gone.

The second person would be Christine Lagarde, current Managing Director of the IMF. During her time as Finance Minister of France she faced a number of challenges from a largely traditional French people but was able to brave it all. She took over the IMF, an aging organization and gave it a new lease of life. She also approached her job with humility. Even with her role in the European crises she managed to maintain the principle of independence which has earned her a great deal of respect. She has continued to influence the world and to me, she embodies the epitome of leadership of a complex organization. I see some parallels with my role at FITC, because it is equally complex with diverse and knowledgeable stakeholders, and at the time I took over, it was an aging organisation at 28 years and in need of a transformation for continued value add to its members, just like the IMF!.

What are your hobbies?

I love nature. I love the idea of reading a good book in a well maintained garden with birds chirping. I also read life histories. I like to travel and learn about other cultures. I like to take long walks with my dog. I am able to think while doing this. Cooking is also therapeutic for me. I like to try new menus with my children. I don't do it very often but wish I could do it more. Sometimes I take the children

out to watch movies and eat out. This is when I get to talk to them as a friend and not Mom!

What would people be surprised to learn about you?

I am an artist. I used to draw and I love landscapes. I also sew. I made some money sewing in school. I can also be very stubborn. Once I am convinced I am on the right track I will do anything to ensure that it gets done. This can be a problem and being blunt is a price that I have to pay sometimes.

Advice for PwC

PwC is like a vending machine but that should not bother the organisation too much because the constant turnover is a major contribution to the growth of the leadership pool in the larger society. Access to knowledge, information, team mentality, feedback, coaching are extremely important. The emphasis on quality should be non-negotiable and people must go through the PwC orientation process. The CDC process should remain a sieve through which all future leaders of the firm should go through, not just for the sake of going through, but based on which the firm's leaders are selected. People need to go through the grinding machine to excel as individuals and effectively grow and nurture future leaders for the firm and society.

What do you plan to do after FITC?

I have always said that after the age of 55 I don't want to work from 8-5 pm. I am motivated by value, people and systems. I would like to cross Europe by train and write books on leadership and parenting. Many of my values were founded as a child and there were certain experiences which my father used to condition behavior and teach me about the most important values. I would like to put these to paper and have the opportunity of working with the next generation of leaders and parents, as a legacy and a passion, without the pressure of an 8-5pm job.

Paying Taxes

“Nigeria’s tax rates are competitive but compliance cost and number of payments are disincentives”



Economies around the world are adopting a range of policies as they strive to strike a balance between raising tax revenues and encouraging growth, according to a new report by PwC. This year, 14 economies significantly increased their total tax obligations or the amount of tax a company has to pay, while 14 others lowered theirs. In most regions around the world, the rate of decline in the total amount companies have to pay in taxes continues to slow. The report also reveals that since the study was initiated nine years ago, corporate income taxes have consistently fallen, while labour taxes borne by companies have been more stable and now represent the largest component of the total tax obligations. The Paying Taxes 2014 report found that 32 economies continued to take steps during the period from June 2012 through June 2013 to make it easier to pay taxes. The study of tax regimes in 189 economies found that for the third consecutive year the most common tax reform was the introduction or improvement of online filing and payment systems for tax compliance. The compliance burden (the time to comply with tax obligations and the number of payments) has continued to fall, but the rate of decline has slowed.

The 2014 report finds that on average globally a medium-sized company has a total tax obligation of 43.1% of profits, making 26.7 payments and needing 268 hours to comply with its tax requirements. The report shows that the case study company for Nigeria has a total tax rate of 33.8%, makes 47 payments and spends 956 hours annually to comply with tax obligation.

“This means that Nigeria is globally and regionally competitive in terms of tax rates but needs significant improvements in terms of number of tax payments and time to comply. These two indicators account for the very low overall ranking for Nigeria of 170 out of 189 economies worldwide,” said Taiwo Oyedele, Head of Tax and Corporate Advisory Services at PwC Nigeria.

“Reforming the tax system is essential and this study shows that it is not just corporate income tax that is important. It is also a case of making decisions around who needs to be taxed, how they will be taxed, and by how much,” said Neville Howlett, Director of External Relations, Tax at PwC. “Trends in the international tax environment such as the globalisation of business, increasing competition among countries for tax revenues, and the increasing proportion of company assets that are made up of intangibles such as brand names, software and know-how, require tax systems around the world to be updated to meet modern needs.”

Paying Taxes 2014 measures all mandatory taxes and contributions that a medium-sized company must pay in a given year. Taxes and contributions measured include the profit or corporate income tax, social contributions and labour taxes paid by the employer, property taxes, property transfer taxes, dividend tax, capital gains tax, financial transactions tax, waste collection taxes, vehicle and road taxes, and other small taxes or fees.

For more information about the Paying Taxes study, visit: www.pwc.com/payingtaxes.

Events

In the last few months PwC had several events. The Following are a few of the event highlights

Paying Taxes



Africa Oil and Gas Leadership Conference



(L-R) Darrell McGraw, Uyi Akpata, Vish Ashiagbor, (all PwC), Segun Afere (Oando) and Delia Asuzu (PwC)



Ross Hunter, PwC UK



Cross section of participants

PwC IFRS Academy



IFRS Academy: Group picture of facilitators and participants



Participants receiving their certificates

PwC Cybercrime Conference



Daniel Asapokhai (PwC) and some participants



The Cybercrime conference brochure



Participants

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